



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2005 REGULAR SESSION

HOUSE BILL NO. 179

WEDNESDAY, FEBRUARY 16, 2005

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED
DATE March 8, 2005
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TREY GRAYSON
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Faller

AN ACT relating to the Kentucky Health Care Improvement Authority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

1 Section 1. KRS 304.17B-003 is amended to read as follows:

2 (1) There is hereby established the Kentucky Health Care Improvement Authority as an
3 agency, instrumentality, and political subdivision of the Commonwealth and a
4 public body corporate and politic with all the powers, duties, and responsibilities
5 conferred upon it by statute and necessary or convenient to carry out its functions.

6 The authority shall be administered by a board of fifteen (15) members and is
7 created to perform the public functions of administering programs financed by the
8 funds appropriated to the authority in conformance with KRS 304.17B-001 to
9 304.17B-031 and any terms and conditions established by the General Assembly as
10 a part of the act appropriating the funds. The members of the board shall consist of
11 the following:

12 (a) The commissioner of the Department of Insurance, or the commissioner's
13 designated representative, who shall serve as chair;

14 (b) The secretary of the Cabinet for Health Services, or the secretary's designated
15 representative, who shall serve as vice chair;

16 (c) Two (2) nonvoting members serving ex officio from the House of
17 Representatives, one (1) of whom shall be appointed by the Speaker of the
18 House and one (1) appointed by the minority floor leader, and who shall serve
19 a term of two (2) years;

20 (d) Two (2) nonvoting members serving ex officio from the Senate, one (1) of
21 whom shall be appointed by the President of the Senate and one (1) appointed
22 by the minority floor leader, and who shall serve a term of two (2) years;

23 (e) The deans of the University of Louisville School of Medicine and the
24 University of Kentucky College of Medicine, or their designated
25 representatives;

- 1 (f) The commissioner of the Department for Public Health, or the
 2 commissioner's designated representative;
- 3 (g) Two (2) representatives of Kentucky health care providers, who shall be
 4 appointed by the Governor; and
- 5 (h) Four (4) citizens at large of the Commonwealth, who shall be appointed by the
 6 Governor.
- 7 (2) The terms of office of the initial appointments of the citizen at-large members of the
 8 board shall expire one (1), two (2), three (3), and four (4) years respectively from
 9 the expiration date of the initial appointment. One (1) of the initial terms of the
 10 representatives of health care providers, at least one (1) of whom shall be male and
 11 at least one (1) of whom shall be female, shall be for two (2) years and one (1) shall
 12 be for four (4) years. All succeeding appointments shall be for four (4) years from
 13 the expiration date of the term of the initial appointment. Two (2) of the citizens at
 14 large shall be male and two (2) shall be female. Board members shall serve until
 15 their successors are appointed.
- 16 (3) In making private sector and citizen-at-large appointments to the board, the
 17 Governor shall assure broad geographical and ethnic representation as well as
 18 representation from consumers and the major sectors of Kentucky's health care and
 19 health insurance businesses. Private sector and citizen-at-large members shall serve
 20 without compensation but shall be reimbursed for reasonable and necessary
 21 expenses.
- 22 (4) The authority shall ~~establish priorities for programs and the expenditure of funds,~~
 23 establish procedures for accountability, including the review of expenditures, and
 24 develop mechanisms to measure the success of programs that receive allocated
 25 funds in accordance with any criteria or instructions provided by the General
 26 Assembly. The authority shall be attached to the Department of Insurance for
 27 administrative purposes and shall establish advisory boards it deems appropriate,

1 which shall consist of health insurance consumers, health care providers, and
2 insurance company representatives, to assist with oversight of fund expenditures.

3 (5) Grants and funds obtained under KRS 304.17B-001 to 304.17B-031 shall be used
4 for expenditures as follows:

5 (a) Seventy percent (70%) of all moneys in the fund shall be placed into the
6 Kentucky Access fund for the purpose of funding Kentucky Access;

7 (b) Twenty percent (20%) of all moneys in the fund shall be spent on a
8 collaborative partnership between the University of Louisville and the
9 University of Kentucky dedicated to lung cancer research; and

10 (c) Ten percent (10%) of all moneys in the fund shall be used to discourage the
11 use of harmful substances by minors.

12 (6) The authority shall assure that a public hearing is held on the expenditure of funds
13 allocated under this section, except for funds allocated to the Kentucky Access
14 fund. Advertisement of the public hearing shall be published at least once but may
15 be published two (2) more times, if one (1) publication occurs not less than seven
16 (7) days nor more than twenty-one (21) days before the scheduled date of the public
17 hearing. The authority shall submit an annual report to the Governor and the
18 General Assembly indicating how the funds were used and an evaluation of the
19 program's effectiveness in health care and access to health insurance for Kentucky
20 residents.

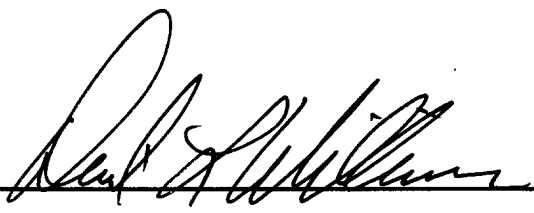
21 (7) Neither the authority nor its employees shall be liable for any obligations of any of
22 the programs established under KRS 304.17B-001 to 304.17B-031. No member or
23 employee of the authority shall be liable, and no cause of action of any nature may
24 arise against them, for any act or omission related to the performance of their
25 powers and duties under KRS 304.17B-001 to 304.17B-031, unless the act or
26 omission constitutes willful or wanton misconduct. The authority may provide in its
27 policies and procedures for indemnification of, and legal representation for, its

1 members and employees.

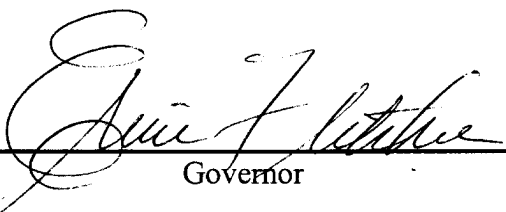
2 (8) The authority shall have all the powers necessary or convenient to carry out and
3 effectuate the purposes and provisions of KRS 304.17B-001 to 304.17B-031,
4 including, but not limited to, retaining the staff it deems necessary for the proper
5 performance of its duties.

6 (9) The authority shall meet at least quarterly and at other times upon call of the chair
7 or a majority of the authority.


Speaker-House of Representatives


President of the Senate

Attest: 
Chief Clerk of House of Representatives

Approved 
Governor

Date 